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CENTRAL INTELLIGENCE AGENCY

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SOURCE

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Turkey

the Turkish government is going ahead with its proposed refinery at Batman, and the construction contract was awarded to /a US firm/. Plans are firmed up for the refinery itself, which is to produce 6,500 barrels of oil daily. It is not altogether clear why the refinery was desired there, since the available crude is rather poor, having an extremely high percentage of asphalt and sulphur. Distribution from Ramandag will be awkward, and the output of the refinery will be much more than the immediate area can consume.

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- 2. The Turkish government has apparently given up the idea of a refinery at Iskenderun, and it is possible, that private capital may build one. That would seem to be quite practical, since Middle East crude is now selling at approximately US\$1.97 per tarrel, and it could be refined and distributed profitably at Iskenderun. As far as the Turkish government is concerned, it appears that it is determined to refine its own crude, which is the big reason for the Batman refinery.
- 3. There are reports that a small oil field was discovered about 20 miles northwest of Ramandag, but that the company doing the exploring advised the government to forget it, at least at this time, since the known reserves were not sufficient to justify the building of a pipeline to the Batman refinery. I feel, however, that there is plenty of oil in the general vicinity of Rawandag, and that all that is needed is some careful study and exploration work.
- 4. The Turkish government built the construction camp site for the successful bidder at Ramandag. In addition to the refinery, the construction firm will build a town site, complete with several hundred houses for the people who will starf the plant.
- 5. The US construction firm on the Batman project has fewer than 20 of its own people on the dob, the 200 or more skilled and unskilled laborers being Turks, for the most part of the Kurdish tribes. The Kurds are willing workers, but need training,

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and the US foremen have had to run a training program for the natives. Outside of occasional time off for the ritualistic killing of a sheep each time a new building is begun, or hole drilled, the Batman project is understood to be progressing satisfactorily, although completion is not expected until 1957.

6. At Murefte, which is about 100 miles west of Istanbul in Thracian Turkey, near the coast, a natural gas field was discovered fairly recently /1953. Present estimates are that there are 300 million cubic feet of natural gas contained there. Private interests are planning to drill a few more exploratory holes to determine the extent of the field, and probably to build a pipeline to Istanbul where the gas would be sold for domestic use. The natural gas is rated at 1,000 btu, and the people of Istanbul are said to be paying US\$2.00 per thousand cubic feet for 500 btu manufactured gas, an extremely high price measured by US standards.

## Iraq

7. The Iraqian government is prepared to spend considerable money for development, and has set aside US\$500 million for that purpose. I understand there are now four US geologists engaged in an underground water study of the north and eastern sections of the country.

## Pakistan

8. A US government agency interested in developing the resources of foreign countries within the past several months /fall, 1953/, awarded a contract to another US firm for a series of studies in Fakistan. One study is a ground water survey, another has to do with the clearing of land for agricultural and irrigation purposes, a third for harbor development, and the last to locate a site for the proposed Bolan dam, the general location of which I am not familiar with.

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